

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2769 - SB 2860

February 21, 2022

SUMMARY OF BILL: Requires the proceeds of any sale of real or personal property by the Tennessee Wildlife Resources Agency (TWRA) be deposited in the General Fund, rather than the Wildlife Resources Fund.

Prohibits the TWRA from harvesting or causing to be harvested more than ten acres of timber in an area or refuge within a two-year period. Prior to any such harvesting, requires the TWRA to make a written request to the Division of Forestry.

FISCAL IMPACT:

Increase State Revenue – \$38,300/FY22-23 and Subsequent Years/General Fund

**Decrease State Revenue - \$885,700/FY22-23 and Subsequent Years/
Wildlife Resources Fund**

Other Fiscal Impact – This legislation could jeopardize approximately \$27,000,000 in funding received annually into the Wildlife Resources Fund if the U.S. Fish and Wildlife Services determine that the state diverted hunting and fishing license revenue from the TWRA.

Assumptions:

- Based on information from the TWRA, the Agency has averaged approximately \$885,714 in revenue each year over the past 5 years from the sale of timber harvested from various properties.
- Such revenue is currently deposited into the Wildlife Resources Fund.
- A decrease in state revenue to the Wildlife Resources Fund of \$885,714.
- This legislation will require that revenue from such timber sales is deposited into the General Fund; however, this legislation prohibits more than 10 acres from being harvested from one area in any two year-period.
- Based on information provided by the TWRA, there is likely only one wildlife area that hasn't had over 10 acres harvested during FY21-22, the Flintville Hatchery Wildlife Management Area.
- In FY20-21, the Flintville Hatchery Wildlife Management Area harvested 3 acres, and such timber sold for \$1,114.

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- In FY22-23 and subsequent years, it is assumed that approximately 5 acres will be harvested from the majority of refuges and wildlife areas in which timber has historically been harvested.
- Based on information provided by the TWRA, average revenue from such timber sales will be approximately \$38,270.
- A recurring increase in state revenue to the General Fund in FY22-23 and subsequent years of \$38,270.
- Pursuant to the Pittman-Robertson Wildlife Restoration and Dingell-Johnson Sport Fish Restoration Acts (50 CFR § 80.20), the sale of personal property assets or real personal property assets, that were acquired with license revenue, is defined as “hunting and fishing license revenue.”
- TWRA personal property assets and real property assets are assumed to have been acquired with revenue derived from the sale of fish and wildlife licenses.
- Pursuant to 50 CFR § 80.21, if a state diverts license revenue from the control of its fish and wildlife agency, the chief executive official of the U.S. Fish and Wildlife Services may declare a state in “diversion” and make such state ineligible for federal aid.
- The TWRA receives approximately \$27,000,000 annually under the Pittman-Robertson Wildlife Restoration and Dingell-Johnson Sport Fish Restoration Acts.
- This legislation could result in a decrease in state revenue to the Wildlife Fund of approximately \$27,000,000.
- The Department of Agriculture’s Division of Forestry can receive and grant approval or make denial of any such harvesting request provided from the TWRA, utilizing existing resources.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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